Revolution in Warehousing:

THE OVERMYER STORY

Growth: from one building to a national system



Dan Overmyer is a third-generation warehouseman who has built a nation-wide business by developing new ideas instead of staying with old traditions. When he came out of the Army after World War II, at the age of 22, he started his own company. He had one employee,

little capital, an old rented building in Toledo, and some new concepts which would later revolutionize

the warehousing business.

By 1965, some 18 years later, the D. H. Overmyer Warehouse Company had become a multimillion dollar system providing national warehousing for industry. By the end of 1965 it will have warehouses in 55 cities. Clients include many of the nation's largest corporations.

The company grew by doing the unexpected, providing tomorrow's facilities for today's business. By storing more merchandise in less space, at lower cost. By handling it faster. But principally by creating a warehouse system of remarkable flexibility, to meet the continually changing needs of industry.

The present Overmyer nationwide network started in 1947 with a conventional one-building "public warehouse" operation. That is, they stored any amount of goods for any client, and supplied all the handling services.

However, unlike the conventional warehousemen of that period, they did not limit their services and facilities to just one building or just one city. Overmyer expanded to three buildings in Toledo. And since modern marketing demands warehousing at many distribution points, they set out to build a system which would meet those needs.

The next move into the future was opening a warehouse in a second city, Cleveland. By 1954 there were seven branches in operation—more than any competitor had—in Toledo, Cleveland, Jacksonville, Tampa, Atlanta, Memphis and Port Newark. Florida and Georgia had become increasingly important markets after the war; new Overmyer locations anticipated the growing needs of distribution, as they have since. Space was soon filled, for this company had injected into the business of warehousing the principle of greater value for the customer: lower cost through larger volume. Overmyer brought the same economies to the distribution industry as Sears, A & P and other chains have brought to retailing.

Next they expanded their services to clients by offering "leased space." This differs from public warehousing in that the customers can rent warehouse space by the year instead of by the month, at a far lower rate. Also, customers can operate this space with their own personnel and equipment—or Overmyer will supply any personnel or equipment desired. This was also in 1954—which marked still another turning point. In order to provide even lower-cost space for leasing, it was necessary to own buildings instead of renting them from others. So for the next few years Dan Overmyer took his company through

a transition. He sold some of his warehouse operations. He began buying and building his own warehouses to replace rented buildings, housing his customers "under his own roof."

With each acquired building, the company offered a third and most important new service, the most flexible arrangement in the business: storage space that expands and contracts with the customer's own fluctuating needs. This Overmyer plan combined the *economy* of leasing with the *flexibility* of public warehousing.

The standard Overmyer buildings were years ahead in design; they pointed the way to what is most modern today. These new buildings are long and narrow one floor structures, with only 150 feet of travel from railroad siding to delivery at the truck doors. Time and motion studies, and the newest in materials handling equipment, all influenced this new engineering of space. Ceiling heights are 30 feet—from 8 to 12 feet higher than today's standard warehouse ceiling, and as much as 18 feet higher than in most older buildings. Far more merchandise can be stored in the same amount of rented floor space, with proportionate savings in cost.

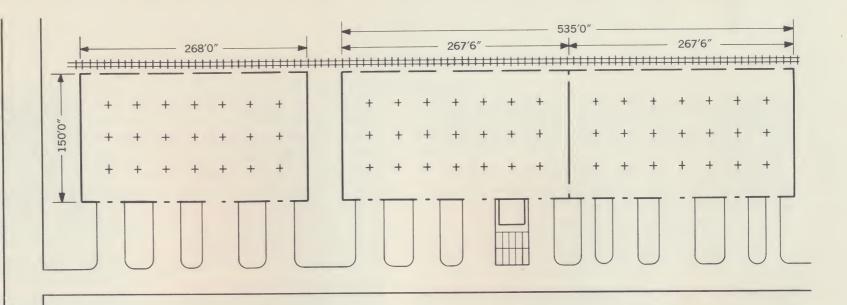
The Overmyer organization is also unusual in that a growing staff of men were tested and trained before they went out to manage the new branches. All are young, well-trained, responsible executives. There is unusual depth and continuity in the company.

Today the Overmyer system continues to grow and

flourish. The reason is a truly unique combination of advantages to industry which only Overmyer offers:

- 1. Years-ahead efficiency in warehouse design, which allows 30% to 100% more storage per square foot.
- 2. The most flexible leasing terms in the business.
- 3. A revolutionary provision for reducing both space and charges, even after the lease is in effect.
- 4. An unprecedented plan for transferring storage from one market to another.
- 5. Availability of warehousing in many cities, all through one company.
- 6. A complete range of manpower services, whatever a customer might call for.
- 7. Rental of any warehouse equipment whatsoever, such as fork lifts, pallets, storage racks and conveyors, at economical rates.
- 8. Office or showroom space constructed to the tenant's requirements.
- 9. An exceptional program of space or buildings "to order" almost anywhere—for any purpose from manufacturing to retailing—with no investment in real estate.
- 10. A responsible, active executive staff—seasoned, and organized in depth.

You will find all these advantages outlined in the pages following. They are well summarized in Dan Overmyer's own words: "If a man tells us what his problems are, we can usually come up with the answer. We can make almost anything happen in warehousing."



Do Overmyer warehouses have special design features?

Unlike buildings converted into warehouses after they have outlived their original use, Overmyer buildings are designed for maximum efficiency in storage and handling.

Travel time, moving and handling are minimized by a long-and-narrow layout of the building, with all storage space close to outside doorways. Along the back of each warehouse runs a railroad spur track adjacent to unloading doors. And just 150 feet away, along the front, are 24 truck doors canopied against weather. Dividing walls allow privacy in storage, and further partitions can be erected or moved. Floors have almost unlimited loading capacity—1500 pounds per square foot.

Office or showroom space, completely air-conditioned, can be provided inside or outside the warehouse.

What about construction?

Long, one-story design creates an attractive appearance. Walls of masonry give excellent protection against heat and cold. Heating, lighting and power lines are provided as needed. Every standard protection, such as electronic burglar and fire alarm service, is available. Buildings are fully sprinklered, with all sprinkler heads high enough so that they cannot be damaged or set off by lift trucks.



Can the customer rent equipment at low rates?

A lease tenant can rent conveyors, fork lifts or other equipment from Overmyer on a per-hour or per-day basis at competitive rates. This equipment can also be leased economically for longer terms.



What manpower services are obtainable in an Overmyer warehouse?

Overmyer offers many services, in *both* public warehousing and privately leased space. In some cases a leasing tenant may want to handle all his own operations; in other situations he might find it advantageous to perform certain full-time services and hire part-time services from Overmyer; or he may want Overmyer to take over the entire operation. It has been Overmyer's experience that each company has its own individual problems—and that each particular case should be discussed in order to work out the most beneficial arrangements. Services which can be made available are:

Clerical service
Telephone answering service
Loading and unloading of cars and trucks
Handling into or out of warehouse
Repairing, recoopering
Sampling, weighing, inspection
C.O.D. collections
Compiling special stock statements

Delivery on direct order from accredited customers Traffic information Rates on all transportation services Handling and distribution of "pool" portions of cars and trucks Break-bulk operations Physical inventories Fumigation Marking, tagging, stenciling, wrapping Packaging and boxing Parcel post, and express shipments Local cartage or other transportation—either provided or arranged for Warehouse receipts O. S. & D. (Over, Short and Damaged) reports Proration of freight charges Prepayment of freight bills Credit information arranged Loans on stored commodities arranged Weighing and grading

What are the 3 conventional warehousing arrangements, their good and bad points?

Conventional public warehousing is a storage service. Any desired amount of goods may be stored by the month, with all storage and handling services performed by the warehouseman. This means the customer does not have to maintain a full-time staff, too large a payroll for slack periods but inadequate for peak periods. He pays for services performed, and for equipment used, only when they are needed. "Down time" costs him nothing. The customer has further flexibility in the amount he stores, and the time he stores it.

A privately-owned warehouse building can be economically sound only when space needs and markets are not subject to change. It is a fixed, inflexible unit of storage space. Markets shift, inventories and space needs change, and the privately-owned warehouse may become too small or too large almost from month to month. However, the most significant reason for today's trend away from company-owned storage buildings is that most companies in our growing economy prefer to concentrate available capital on their own essential requirements. Further, with privately-owned warehouse buildings, there is no equipment or trained manpower available from an outside ware-

houseman to meet peak period needs.

Conventional leased space, the third customary alternative, is rented storage space. The tenant contracts for a fixed number of square feet, for a long term, without manpower services, and operates this space with its own personnel and equipment. Storage costs per piece show a saving of 50% or more, compared with conventional public warehousing.

Another reason for leasing rather than owning is that it gives the company a better capital reserve and borrowing capacity. Lease payments are fully deductible for tax purposes; while a substantial portion of capital investment in a private warehouse is not deductible by the owner. This would mean a saving greater than the combined deductions for the annual depreciation on a building, plus the interest paid on a mortgage. There are, of course, some drawbacks in conventional leasing contracts. The minimum contract period is usually ten years. No manpower services are available. It is difficult to obtain additional space when needs expand, and it is impossible to reduce space commitments during a period of contraction.

Overmyer has eliminated all these problems.

How does the Overmyer plan differ from conventional warehousing arrangements?

The Overmyer plan is so different as to be in a category by itself. It is especially advantageous when compared with a privately-owned warehouse, as it can release capital funds for research, machinery or new marketing efforts.

The advantages of warehousing with Overmyer arise

partly from the fact that Overmyer is the only nation-wide company offering both conventional public ware-housing and leased space—plus a unique arrangement which combines the advantages of both without the drawbacks of either. The Overmyer plan provides the *flexibility* of public warehousing with the *economy* of leased space.

What unique flexibility does Overmyer offer?

Flexible long-term space: If a tenant needs more space, in any amount, Overmyer will supply it for one year, five years, or whatever period is called for.

Flexible short-term space: Overmyer can provide a leasing tenant with additional room, on a monthly basis, to meet any short-term needs. His space can expand with his temporary requirements, then shrink back again.

Flexible contract: Overmyer offers three arrangements to relieve a tenant who might someday find himself with too much space in the "wrong" city. (1) Overmyer will transfer 15% or more of the total space leased, whether in one warehouse or a dozen, to space available in any other city. (2) Or if this will not solve

the problem, Overmyer will take back up to 10% of the space under lease. (3) As soon as this released space can be filled, under the same terms and conditions, Overmyer will transfer another 15% or cancel another 10% of the remaining space. And this can be done over and over, whenever shifting market conditions dictate. (It's like buying a suit with lifetime free alterations.)

Flexible manpower: In leased space, the tenant is free to perform all inside operations, from telephone answering to repackaging. However, he may elect to have any number of these services—or even the complete operation—handled by Overmyer personnel.

What is meant by the Overmyer concept of "free air"?

An important feature of Overmyer warehouse design is the 30-foot ceiling, which Overmyer pioneered years ago. This is from 8 to 12 feet higher than today's standard ceiling, and as much as 18 feet higher than in most older buildings.

Since warehouse space is priced by the square foot, the additional cubage gained by Overmyer's higher ceilings will provide a bonus in storage space, which can truly be called "free air." You need less floor space to store a given amount of merchandise. As a typical example, 6,600 square feet of floor in an Overmyer warehouse can accommodate as much merchandise as 10,000 square feet in a conventional warehouse, with a consequent substantial reduction in cost.

Special high-lift quad-mast fork trucks were developed for Overmyer. They are designed *low* enough to work inside a trailer or box car, yet they reach high enough to utilize the Overmyer "free air."

Nearly three-fourths of today's merchandise is so packaged that it can be stacked to the full height of the Overmyer cubage. But for any items too heavy or too fragile to be stored without support, standard or "tailor-made" racks are available, which act as supporting shelves. This makes selective picking feasible. A warehouse employe can take a case or pallet from any rack without disturbing an entire stack.

Who are some Overmyer clients?

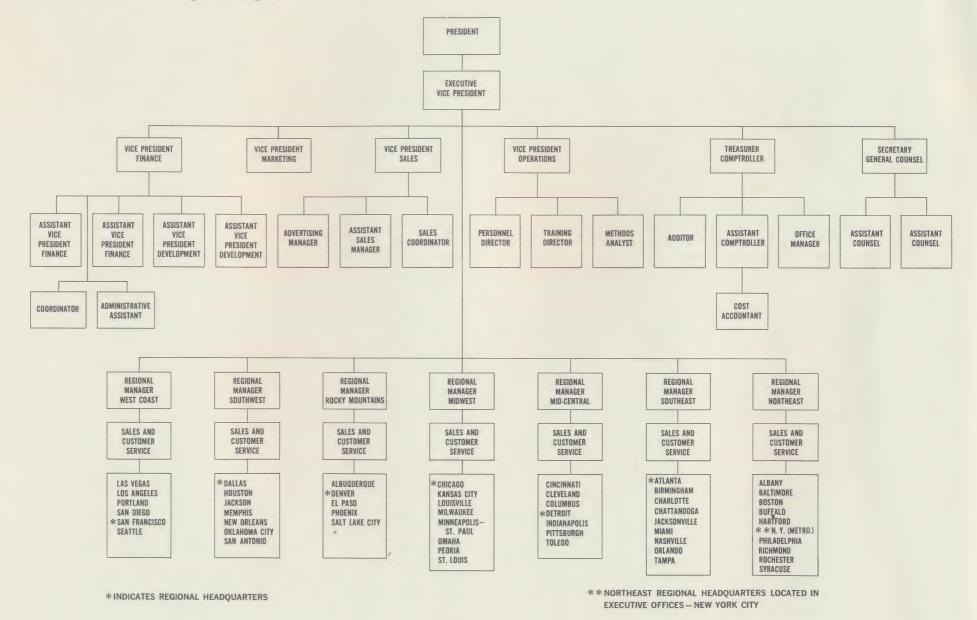
Allis-Chalmers Mfg. Co. American Can Co. American Cyanamid Co. American Maize-Products Co. American Molasses Co. American Motors Corp. The American Tobacco Co. Anderson Clayton & Co. Anheuser-Busch, Inc. Armour Agricultural Chemical Co. Armstrong Cork Co. Banquet Canning Co. BASF Colors & Chemicals Bemis Brothers Bag Co. Bird & Son. Inc. Blanke Baer Extract & Preserving Co. The Borden Co. Borg-Warner Corp. Brown & Williamson Tobacco Corp. Bumble Bee Seafoods, Inc. The Bunting Co., Inc. California Chemical Co. California Packing Corp. Calvert Distillers Co. Campbell Soup Co. Cargill. Inc. Carnation Co. Cary Maple Sugar Co. Castleberry Foods, Inc. Chicken of the Sea, Inc. Chrysler Corp. Church & Dwight Co., Inc. Climalene Co. Consolidated Cork Corp. Continental Can Co. Corn Products Co. Corning Glass Works Crown Cork & Seal Co. Crown Zellerbach Corp. D-A Lubricant Co., Inc.

Dayco Corp. Derby Foods, Inc. Diamond National Corp. Diebold, Inc. Ditto. Inc. Doeskin Products, Inc. Donn Products, Inc. Dow Chemical Co. Dow Corning Corp. Drackett Co. E. I. duPont de Nemours & Co. Dura Corp. Duro-Test Corp. Equitable Paper Bag Co., Inc. J. M. Fields R. T. French Co. Gendron Wheel Co. General Coal Co. General Electric Co. General Motors Corp. General Tire & Rubber Co. Gilbert & Barker Mfg. Co. Gortons of Gloucester, Inc. W. R. Grace & Co. Graybar Electric Co. The Great Atlantic & Pacific Tea Co. Great Western Sugar Co. Green Giant Co. Grinnell Corp. Habitant Soup Co. Hafnia Ham Co., Inc. Hazel-Atlas Glass Division of Continental Can Co. H. J. Heinz Co. L. B. Herbst Corp. Hercules Powder Co. Humble Oil & Refining Co. Idaho Fresh Pak Potatoes Co. Inland Container Corp. Interchemical Corp. International Heater Co., Inc. International Hotel Supply Co. Preformed Metal Products Co.

International Minerals & Chemical Corp. I-T-E Circuit Breaker Corp. Jarman-Williamson Co. Johns-Manville Corp. Jones Chemical Jones-Dabney Co. Kaiser Aluminum & Chemical Corp. KVP Sutherland Paper Co. Libbey-Owens-Ford Glass Co. Liggett & Myers Tobacco Co. Liggett Drug Co., Inc. Lindsay Ripe Olive Co. Thomas J. Lipton, Inc. P. Lorillard Co. Lykes Bros., Inc. McGraw-Edison Co. McKesson & Robbins. Inc. Maiestic Co. Master Builders Co. Monsanto Chemical Co. C. H. Musselman Co. National Gypsum Co. National Lead Co. National Sugar Refining Co. Nopco Chemical Co. Nutone, Inc. Ocean Spray Cranberries, Inc. Owens-Corning Fiberglas Corp. Owens-Illinois Glass Co. J. C. Penney Co. Pennsalt Chemicals Corp. Pepsi-Cola Co. Permaglass, Inc. Pet Milk Co. Pioneer Charcoal Co. Philip Morris, Inc. Phillips Petroleum Co. Pillsbury Co. Pittsburgh Plate Glass Co.

Procter & Gamble Co. Purex Corp. Ralston Purina Co. Rath Packing Co. Revnolds Metals Co. R. J. Reynolds Tobacco Co. Rexall Drug & Chemical Co. Richardson-Merrell, Inc. Rohm & Haas Co. Scot Lad Foods, Inc. O. M. Scott & Sons Co. Sealy Mattress Co. Seven-Up Bottling Co. Alexander Smith Carpets F. H. Snow Canning Co. Southland Container Corp. Square D Co. A. E. Staley Mfg. Co. Standard Brands, Inc. Star-Kist Foods, Inc. Stokely-Van Camp, Inc. Stouffer Foods Corp. Swift & Co. John Swisher & Son Tecumseh Products Co. Tenneco Oil Co. Texize Chemicals, Inc. Transogram Co. Union Carbide Corp. United States Rubber Co. U.S. Dept. of Agriculture U.S. Steel Corp. Universal Match Corp. Vancouver Plywood Co. Vulcan Metal Products, Inc. Walgreen Drug Stores Western Peat Westinghouse Electric Corp. West Virginia Pulp & Paper Co. Weverhaeuser Co. Wisconsin Tissue Mills Zavre Corp. Zucon, Inc.

The Overmyer organization



How does the customer benefit from Overmyer's national scope?

You deal with one company instead of many. One phone call to Overmyer's executive office will give you the availabilities and the rates anywhere.

You avoid the need to travel to another city, to inspect several warehouses, and to negotiate separately with several property owners or real estate agents. When you deal with Overmyer you know where the warehouse is; what it looks like (it will be a new building, of standard Overmyer design); what the rates are; how your space can expand or contract with your needs; and what manpower services you may call upon if you choose to.

You may have one nationwide contract.

You may have all your bills on one comprehensive statement, as well as the individual invoices from each location. Your bookkeeping department will save time working with standard Overmyer forms. (But if you want your own inventory report forms used, Overmyer will do so.)

Only Overmyer will relieve you from a surplus of space in one location or city, and provide equivalent space elsewhere as you need it.

If you are transferring stock between two cities, Overmyer eliminates a duplication in costs. Charges for the space released in one location are credited to the same space in the new location.

Overmyer now has, or will soon have, warehouses in the following cities:

Albany, New York Albuquerque, New Mexico Atlanta, Georgia Baltimore, Maryland Birmingham, Alabama Boston, Massachusetts Buffalo, New York Charlotte, North Carolina Chattanooga, Tennessee Chicago, Illinois Cincinnati, Ohio Cleveland, Ohio Columbus, Ohio Dallas, Texas Denver, Colorado Detroit, Michigan El Paso, Texas

Hartford, Connecticut Honolulu, Hawaii Houston, Texas Indianapolis, Indiana Jackson, Mississippi Jacksonville, Florida Kansas City, Missouri Las Vegas, Nevada Los Angeles, Californiat Louisville, Kentucky Memphis, Tennessee Miami, Florida Milwaukee, Wisconsin Minneapolis, Minnesota Nashville, Tennessee New Orleans, Louisiana

New York (Metropolitan)
Oklahoma City, Oklahoma
Omaha, Nebraska
Orlando, Florida
Peoria, Illinois
Philadelphia, Pennsylvania
Phoenix, Arizona
Pittsburgh, Pennsylvania
Portland, Oregon
Richmond, Virginia
Rochester, New York

St. Louis, Missouri
St. Paul, Minnesota
Salt Lake City, Utah
San Antonio, Texas
San Diego, California†
San Francisco, California†
San Juan, Puerto Rico
Seattle, Washington
Syracuse, New York
Tampa, Florida
Toledo, Ohio

If your company should require warehousing anywhere—of any type—Overmyer will gladly discuss it with you. Your interest might be the deciding factor in opening a new location.

 ${\it † In \ California, public \ warehousing \ can \ be \ arranged \ through \ Overmyer.}$

What are Overmyer's standards of site location?

Every Overmyer warehouse site is selected with these considerations uppermost: (1) Most favorable personal property or inventory tax structure. (2) Lowest possible cartage rate. (3) On the fringe of a city, away from congested narrow streets and slow traffic. (4) Near one or more through-highways for quick access by trucks. (5) On an expressway or interstate highway, wherever possible—for the identification and advertising value it affords customers. (6) On one or

more railroad lines with direct spur tracks and full switching facilities. (7) Usually in an Industrial A zone, close enough to town to insure quick access to the business areas. (8) Qualification for lowest possible contents insurance rate. (9) Any special site requirements a customer company might have. Broadly speaking, it is Overmyer policy to open a new location wherever sufficient demand exists and local conditions make it feasible.

What services and facilities can Overmyer offer?

(1) Spot stocking (general merchandise storage). (2) Storage in transit. (3) Pool distribution. (4) Refrigerated storage. (5) Outside storage. (6) Consolidation and mixing. (7) Regional distribution. (8) Unit-

ized storage. (9) Storage per package or per hundredweight. (10) Controlled temperature and humidity storage. (11) Space rental on a square-foot basis. (12) Office space. (13) Display rooms.

Can an Overmyer warehouse be used for purposes other than storage?

Yes. Overmyer buildings are now being used for subassembly, manufacturing, wholesaling, and retailing. For companies with special building requirements, Overmyer offers a unique build-lease plan. One recent example is a refrigerated warehouse for a major meat packer. Other examples: a wholesale discount house; light assembly processing; a manufacturing line for containers.

Other types of real estate and construction which Overmyer can provide are manufacturing plants, processing plants, or even office buildings.

The Overmyer management: their average age is under 40



New York



D.R.Stechschulte New York





W.F.Westgate New York



D.H.Overmyer New York

C.E.Brown New York



New York



J.R.Zabka New York



G.E.Kinsley, Jr. New York



T.J.Byrnes New York





R.A.Rossi



C.Sanderlin Dallas



New York



New York



W.C.Terry New York

R. D. Harris New York



J.G.Murray Denver



Chicago

R. E. Clemens

Omaha





C.J.Carroll

D.V.Seethaler Phoenix



R.H.Wooldridge, Jr. Kansas City, Mo.



H.J.Miller St. Paul



D.B.Campbell Houston

B.L.Kresnve

Toledo



A.C.Carter Houston

T.W.Flood

Toledo



R.D.Bridgewater New Orleans



R. A. Beall

Memphis



J.B. Gilmore Nashville



R. D. Sorensen

Seattle

H.P.Hayes Charlotte



G.H.Cloer Jacksonville



J.R.McGhee Miami



H.A.Zukoski Orlando



T. Lake San Francisco



S.H.Flannagan III Richmond



C. W. Bushar Philadelphia

J.K.Hines

Toledo



W.S. Saling Pittsburgh



W.L.Benson Baltimore



R.E.Polley Boston



J. A. Willis Buffalo



Hartford



D.J.Nolin, Jr. Syracuse

Someday a smart outfit will come along and make a science of warehousing and take the whole kit and caboodle off the backs of hard-pressed executives.



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